Double Coverage

I. GENERAL

A. General Information

Double coverage consists of medical benefits coverage by both TRICARE and another medical/hospital insurance, medical service, or health plan (with the exception of Medicaid and certain other programs identified by the Director, TRICARE *Management Activity (TMA)*, i.e., the Indian Health Service and State Victims Assistance Plans). Except for claims for the services of resource support and internal resource sharing providers, when a beneficiary has double coverage, TRICARE is always the secondary coverage (see OPM Part Three, Chapter 2, Section II.C.3.b., regarding claims from internal resource sharing providers, OPM Part Three, Chapter 2, Section III.A.1.b., regarding claims from resource support providers, and Policy Manual, Chapter 13, Section 12.1. regarding all other claims). A contractor must coordinate benefits and obtain the information regarding the other insurance payment to determine what the TRICARE liability is to assure that:

1. TRICARE beneficiaries receive maximum benefits from their health coverage, but no more than they are entitled to receive, and

2. The combined payments under TRICARE and the double coverage plan do not exceed the total charges.

B. Basic Principles

The following basic principles govern the adjudication of claims involving double coverage:

1. Double Coverage Plans

All medical/hospital insurance, medical service, or other health plans under which the beneficiary is covered are considered double coverage. Medicaid, by law, is secondary payor to all other health coverages, including TRICARE. See Paragraph A. above for other exceptions.

2. TRICARE Last Pay

Under the law, TRICARE benefits are payable only for charges remaining unpaid after all other health coverages, except Medicaid and other programs identified by the Director, *TMA* (see Paragraph A. above), have paid benefits. Except on claims for the services of resource support and internal resource sharing providers, this secondary position remains even though the contractor is at-risk for benefits in its service area. Contractors shall process claims or make payment for the services of internal resource sharing and resource support providers as if no other coverage exists (see Paragraph A. above).

3. Waiver of Benefits

TRICARE beneficiaries may not waive benefits due from their double coverage plans. If a double coverage plan provides, or may provide, benefits for the services, a claim must be filed with the double coverage plan. Refusal by the beneficiary to claim benefits from the other coverages must result in a denial of TRICARE benefits. Contractors shall process claims for the services of resource support and internal resource sharing providers as if no other coverage exists.

4. Last Pay Limitations

The contractor shall not pay more as a secondary payor than it would have in the absence of other coverage. Where a provider of care has a negotiated (discounted) rate agreement, the provider shall never receive payments from all sources that total more than the negotiated rate. The agreements shall contain a provision which makes clear that in double coverage situations, TRICARE payment is based on the negotiated rate. TRICARE, as secondary payor, cannot reimburse charges for any services or supplies which are not otherwise covered under the program. TRICARE benefits cannot be paid for services received prior to TRICARE eligibility. The application of double coverage provisions does not extend or add to the usual TRICARE payment amounts.

5. Statutory Limitation on Inpatient Mental Health Services

The application of TRICARE's double coverage rules cannot result in circumvention of the statutory limit on inpatient mental health services. (See Policy Manual, Chapter 1, Section 12.1A.) Thus, calculation of *TRICARE* payment in a double coverage situation cannot result in payment, in any amount, for more than the allowed number days of inpatient mental health services unless a waiver has been granted.